

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of )  
the License to Conduct Gambling Activities of: )  
Orient Express Restaurant, )  
Seattle, Washington, )  
Licensee. )  
\_\_\_\_\_ )

NO. CR 2009-01300

**NOTICE OF ADMINISTRATIVE  
CHARGES AND OPPORTUNITY  
FOR AN ADJUDICATIVE  
PROCEEDING**

I.

The Washington State Gambling Commission ("Commission") issued Orient Express Restaurant, Organization Number 00-21689, the following license:

Number 05-20745, Authorizing Class "A" Pull-Tab Activity.

The license expires on December 31, 2009, and was issued subject to the licensee's compliance with state gambling laws and regulations.

II.

Rick Day, Director of the Washington State Gambling Commission, charges the licensee with the following violation(s) of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

**Summary:**

The licensee failed to provide documents to the Gambling Commission relating to cash contributions of over \$56,000, as requested.

**Facts:**

- On May 5, 2009 a Commission Special Agent ("agent") received information from Commission staff that Orient Express had large deposits in the licensee's business bank account from Ms. Qiao Zhao. Ms. Zhao is the licensee's sole owner, and goes by the name "Joanne."
- On May 22, 2009, the agent sent Ms. Zhao a letter requesting source documents for each contribution she made into the business accounts (there are two), with a due date of June 8, 2009.
- On June 3, 2009, the agent received a phone call from Ms. Zhao requesting until June 16, 2009 to submit the documentation. The agent agreed. Ms. Zhao provided some records,

though not all of the documents that were requested.

- On June 17, the agent reviewed the business bank statements that were submitted, and requested by letter Ms. Zhao's personal bank statements from January 2009 through May 2009, to verify the sources of deposited funds, as well as all bank account signature cards. The deadline provided was June 29, 2009. The information was not provided by that date.
- On July 2, 2009, the agent telephoned Ms. Zhao requesting the information. Ms. Zhao said she would fax the information. No fax was received.
- On July 7, 2009, the agent called Ms. Zhao again and requested the information. Ms. Zhao said she would fax the information. No fax was received.
- On July 8, another agent went personally to Orient Express to collect the documents but Ms. Zhao was not there.
- Later, on July 8, 2009, the agent received a fax from Ms. Zhao which included two of the three signature cards with the business' bank statements, showing over \$56,000 deposited into the business account from Ms. Zhao's personal account.
- On July 13, 2009, the agent sent another letter to Ms. Zhao requesting information on specific deposits into the business account, and bank statements from Ms. Zhao's personal account. A deadline of July 28, 2009 was given.
- On July 15, Ms. Zhao telephoned the agent and provided a new mailing address. The agent re-sent the July 13 letter to the new address. No materials were received by the July 28, 2009 deadline.
- On August 3, 2009, the agent left a voice mail message for Ms. Zhao informing her that no documents had been received.
- On August 12, 2009, the agent spoke to Ms. Zhao and informed her that the documentation was required by August 14, 2009.
- On August 14, 2009, the agent received a fax from Ms. Zhao that was missing one month's bank statement and source information regarding 10 of the 23 deposits requested. Ms. Zhao left a message stating that she sent everything as requested, and was traveling out of the country for 10 days.
- As of the date of these charges, no additional documentation has been received.

Therefore, under RCW 9.46.075(1), and (7) WAC 230-03-085(1) and (8), grounds exist to revoke Orient Express Restaurant's License.

**RCW 9.46.075 Denying, suspending, or revoking an application, license or permit** states: The Commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsections apply.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control; and

(7) Makes a misrepresentation of, or fails to disclose, a material fact to the Commission.

**WAC 230-03-085 Denying, suspending, or revoking an application, license or permit** states: We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization: (The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075;

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level; or

(7) Fails to provide us with any information required under Commission rules within the time required, or, if the rule establishes no time limit, within thirty days after receiving a written request from us.

**WAC 230-06-080 Report changes to application information and submit updated documents and information** states: (The following subsections apply.)

(1) Licensees must notify us in writing if any information filed with the application changes in any way within thirty days of the change.

(2) Licensees must submit to us any new or updated documents and information, including the following:

(a) Articles of Incorporation or bylaws, or any other documents which set out the organizational structure and purposes; and

(b) All oral or written contracts and agreements which relate to gambling activities or alter the organizational structure of the licensee's organization or business activities in Washington; and

(c) All cash or asset contributions, draws from lines of credit, and loans (except those from

recognized financial institutions) during any calendar year which by themselves or totaled together are more than ten thousand dollars. Cash or asset contributions do not include donations to licensed charitable or nonprofit organizations; and

(d) Internal Revenue Service tax deductible status of contributions for charitable and nonprofit organizations.

III.

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

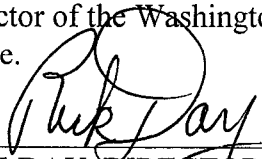
The licensee will have the opportunity to have a hearing on the alleged violations.

**In order to have a hearing or discuss settlement options**, the enclosed Request for Hearing must be completed and returned to the Gambling Commission **within 23 days** from the date of the mailing of this notice.

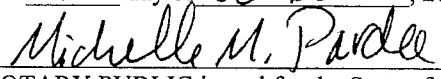
Based on RCW 34.05.440, failure to return this document will result in the entry of a default order REVOKING your license.

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

Rick Day, being duly sworn on oath, says: That he has read this Notice of Administrative Charges and Opportunity for An Adjudicative Proceeding for Orient Express Restaurant, knows the contents of it, believes it to be true, that he is the Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

  
\_\_\_\_\_  
RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before me  
this 8<sup>th</sup> day of October, 2009.

  
\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington residing at vacant  
My commission expires on June 16, 2013

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

I hereby certify that I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy thereof, properly addressed, with postage paid, by regular and certified mail to each party to the proceeding or to their attorney or authorized agent

Dated at Olympia, Washington this 8<sup>th</sup> day of October  
  
\_\_\_\_\_  
Communications and Legal Department  
Washington State Gambling Commission

